



Virginia Elite

Property Services

Owner Handbook

Overview of Services and FAQ

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Welcome To Virginia Elite Property Services

Congratulations on your investment property! Whether it's your first venture or a seasoned addition to your portfolio, we're thrilled to be part of your journey in building long-term residual income. As a family-owned and operated company, we extend a warm welcome to you.

The "Rental Owner's Handbook" serves a dual purpose. Firstly, it provides insights into our administrative and management policies, outlining the standards we uphold at Virginia Elite Property Services. Secondly, it offers valuable industry knowledge to empower you as a property owner. We introduce our staff, address common questions, and aim to enhance your understanding of property management practices.

Equipped with industry knowledge, property owners can better navigate day-to-day operations, fostering accountability and a collaborative relationship. While this handbook offers informational insights, your individual Property Management Agreement defines the contractual relationship, including responsibilities and fees.

We encourage you to explore both this handbook and your management agreement thoroughly. This ensures clarity and enables us to promptly address any concerns. A successful Landlord-Property Manager relationship thrives on clear communication, and we're here to make your property ownership experience seamless and rewarding.

Overview

Management Fees: Tailored Solutions for Your Peace of Mind

At Virginia Elite Property Services, we understand that every property owner has unique needs. That's why we offer a flexible and tiered management fee structure, providing options to suit everyone's preferences.

Our tiered options allow you to choose a management plan that aligns perfectly with your property management expectations. Whether you prefer comprehensive services that cover every aspect of property management or a more streamlined approach, we've got you covered.

Explore our tiered options and select the plan that works best for you. From full-service management to more targeted solutions, we're committed to ensuring your peace of mind while maximizing the return on your investment. Our goal is to provide you with the flexibility and customization you deserve, so you can confidently entrust your property to Virginia Elite Property Services.

Late Fees Policy: Supporting Timely Rent Collection

At Virginia Elite Property Services, our late fees policy is designed to serve two essential purposes – ensuring the efficient recovery of late rent and providing peace of mind to property owners.

When tenants incur late fees, Virginia Elite Property Services retains these fees to cover the administrative costs associated with the collection process. This includes documenting late payments, filing necessary documents when required, and investing the additional time involved in recouping late rent.

By retaining late fees, we demonstrate our commitment to working diligently on behalf of property owners. This not only supports the timely collection of late rent but also enables us to take appropriate measures, including legal channels when necessary. Owners can trust that our team is actively engaged in managing late payments, safeguarding your interests and upholding the integrity of your investment.

Rest assured that our late fees policy is a proactive approach to rent collection, reinforcing our dedication to ensuring a seamless and responsive property management experience.

Easy Termination Policy: A Hassle-Free Approach

At Virginia Elite Property Services, we believe in providing property owners with a hassle-free and flexible termination process. Our easy termination policy consists of three straightforward provisions:

- 1. Pre-Lease Termination:** If a lease agreement or a move-in report has not been executed by a tenant, you can terminate our management agreement at any time, with the only cost being any out-of-pocket expenses related to your property, such as marketing costs.
- 2. Leased Property Less Than One Year:** If the property has been leased, but our management period is less than one year, you may terminate the agreement with sixty (60) days' notice. The termination fee is equivalent to one month's rent and includes management fees incurred during our tenure, including the 60-day notice period for services provided.
- 3. Leased Property More Than One Year:** For properties leased and managed for over one year, termination is possible with sixty (60) days' notice. The only amount due will be the management fees for the time our services were provided and any out-of-pocket expenses.

For additional details on termination, refer to your property management agreement or reach out to your property manager for clarification at any time. We are committed to addressing any concerns and strive to earn your business with the highest level of service.

Frequently Asked Questions

If I turn over my vacant property for Virginia Elite Property Services to lease, will you handle any repairs/prep that may need to be done in order to get it rented?

If your vacant property is turned over to Virginia Elite Property Services for leasing, we will discuss the preparation needs. If the property is "rent ready" with no repairs, replacements, or cleaning required, there are no additional fees. For any issues, licensed vendors handle roofing, plumbing, HVAC, appliances, and electrical repairs in your name, with charges your responsibility. Utilities must remain on during vacancy to maintain a safe environment, as insurance may not cover damages caused by utility shutdowns (e.g., burst pipes, mold).

Can I allow tenants to do work on the home in exchange for lowered rent?

The physical condition of the property is the single most important factor in attracting quality tenants. Allowing tenants to perform necessary property work in exchange for rent deduction is not recommended. The property's physical condition significantly influences tenant quality. It is advised to use reputable, licensed vendors for property preparation to comply with laws and attract tenants. Non-"rent ready" properties take longer to rent, and quality tenants may choose ready units elsewhere. Relying on tenants for property preparation may lead to unprofessional outcomes, and waiving deposit portions lacks financial protection if tenants break the lease early. Trusting tenants with property preparation can incur long-term costs and pose liability risks in case of tenant injuries during authorized work on your premises.

How will you handle property preparation between tenants?

Handling property preparation between tenants involves a 60-day notice period. Upon tenant notice, we consult with you to discuss re-renting or alternative plans for the property. If re-renting is chosen, the process begins 30-45 days before vacancy to minimize downtime. Under an annual management agreement, we promptly inspect and prepare the property for rental after a tenant vacates. For items exceeding \$350.00, we consult with you. Routine repairs are swiftly addressed to facilitate quality showings. It's important to note that not all repairs and preparation costs can be covered by the security deposit, as they are the owner's responsibility due to normal wear and tear expectations.

Frequently Asked Questions Continued

Who is responsible for changes and maintenance of locks and keys?

Owners are responsible for providing 3 sets of keys, garage door openers, gate cards, and security passes at their expense upon executing the property management agreement. Tenants are responsible for any damage or loss of keys during their tenancy. Although the Virginia Landlord Tenant Act doesn't mandate lock changes between tenants, we require owners to do so for tenant and owner protection. Lock changes/rekeying at the end of each tenancy move-in are performed at the owner's expense to ensure future tenant safety and mitigate liability.

How do you market my property?

Once your property is rent-ready, we market it by listing it on the local multiple listing service ("MLS"), placing signs on the property, and featuring it on our website, which automatically uploads to various platforms through our property management software. We don't advertise in newspapers or other print sources, but if requested, this service is at the owner's expense, with prices varying based on the publication.

How do you decide if a tenant should be approved for residency?

To approve tenants for residency, all adults (18 and older) must complete a rental application, paying an application fee to cover background report costs. Photo identification is required. Our application and rental criteria are available on our website for review before applying. Each adult residing in the property must submit a completed application. We consistently qualify tenants based on criteria, including:

- Combined gross income of 3 times monthly rent.
- Clean credit history with no eviction filings, collection liens, or unsatisfied rental judgments.
- Verifiable sources of income; additional deposit or guarantor considered if income is not verifiable.
- No felony convictions, adjudication withheld, or misdemeanors related to illegal drugs, crimes against persons, or property in recent 3 years; property manager makes the final decision if charges are over 3 years old.

Please note that the background report may not cover all US jurisdictions and does not guarantee a perfect tenant.

Frequently Asked Questions Continued

Who gives the final approval for a tenant?

The property manager has the final authority in tenant approval, adhering to our office rental criteria to prevent costly fair housing violations. All rental properties are offered in accordance with the CIVIL RIGHTS ACT OF 1968, TITLE VIII, FAIR HOUSING, and amendments, ensuring compliance with anti-discrimination laws that prohibit refusal to rent based on race, color, age, religion, sex, national origin, familial status, or disability.

How is the rent collected?

Rent is due on the 1st and considered late after the 5th as per the lease terms. Late fees are charged if rent is not received by then. VA Elite Property Services retains late fees to cover costs in collecting delinquent rent. VA Elite Property Services retains late fees to cover costs in collecting delinquent rent. The property management agreement grants us authority to collect rents and hold funds in an Escrow Account. Funds are disbursed after the tenant's check clears. Rent received by the 15th is sent to owners per the agreement, allowing time for late payments and checks to clear.

After the 15th, attempts are made to pay owners within 48 business hours of receiving tenant payment. We don't guarantee against bad checks or non-payment by tenants. NSF checks result in a fee and the requirement for certified funds from the tenant. Virginia Elite Property Services doesn't guarantee tenant payments; tenants assume this responsibility by signing the lease. In case of non-payment, a noncompliance notice is sent on/around the 6th, giving tenants 5 days to rectify. Late fees on your mortgage and association costs are not our responsibility; owners should be prepared to pay all due amounts regardless of tenant payment.

What happens when a tenant does not pay?

When a tenant doesn't pay, we typically pursue a monetary judgment and possession of the rental property through court. This process takes about 40-60 days, and details can be discussed with your property manager. This information is not legal advice; consult an attorney for rights during legal proceedings. A possession order allows the owner to initiate the eviction process, and a rental judgment makes the amounts due from the tenant collectible. Tenants are often responsible for legal costs added to the judgment. Outstanding judgments affect a tenant's credit, making it challenging to secure credit or rental property. Obtaining a judgment is the first step, but collecting owed money post-eviction is uncommon. Owners may seek post-judgment collection if the balance justifies the expense. Attorneys and collection businesses offer collection services, typically charging 25% of the collected amount. Virginia Premier Property Services does not provide post-judgment collection services but can refer you to a company that can assist.

Frequently Asked Questions Continued

What if I want to view the property with the tenant in the unit ?

To view the property with the tenant, contact your property manager for proper notice (12-24 hours). It's strongly advised not to meet the tenant without the property manager present. Tenants might see this as the owner wanting to bypass the property manager, leading to potential issues. Avoid giving your phone number to tenants to prevent unauthorized calls. Allowing direct communication may lead to tenant claims in court, especially if rent is late. It's in your best interest to maintain all communication between the tenant and property manager.

What if we have tenant problems?

If tenant problems arise, we leverage our extensive experience to handle various difficulties. While our goal is to secure good tenants, unforeseen issues can occur. We address problems with a common-sense approach, adhering to Virginia landlord/tenant laws and using appropriate documentation. In serious situations, we will contact you to collaboratively find a solution for the problem.

Who does the tenant call if there are maintenance/repair issues?

For repairs and maintenance, tenants can call our office and speak to the property manager or submit an online maintenance request on our website. Tenants should not contact you directly for repairs; you've hired us to handle communication between you and your tenant, so please allow us to do our job.

What if there is an emergency request after business hours or on a weekend?

For emergency requests after business hours or on weekends, our property managers can be reached by tenants through cell phones, text messages, and voicemail. Tenants receive instructions for emergencies at move-in. Only true emergencies will be addressed after hours and on weekends to avoid overtime charges from vendors.

Who will be responsible for ordering repairs to my rental unit?

For true emergencies threatening tenant safety or health, we will promptly order a vendor to fix issues like water leaks, floods, septic/sewer backups, no running water, no hot water, electrical hazards, refrigerator failure, air conditioner or heat failure. Your property manager will attempt to notify you, but you may only be informed after the repair is completed. If a non-emergency repair exceeds \$300.00 or the reserved amount for your property, the property manager will contact you to discuss the necessary steps to address the deficiency in the unit.

Frequently Asked Questions Continued

How will I pay for repairs and services ordered on my rental unit?

We manage repairs and recurring maintenance expenses (e.g., legal fees, lawn maintenance, small repairs, extermination) without a markup. These costs are deducted from your monthly check. Your property management agreement contains specific details, and we'll contact you for funds if repairs are extensive. As your property manager, we have full authority to handle repairs, purchase supplies, and hire vendors on your behalf.

Vendors hired are not deemed our employees, and they must be licensed and insured. Accounting mails or direct deposits rental proceeds, minus repair deductions, before the 15th of each month or within 48 business hours after rents clear. In January, you'll receive a year-to-date statement and IRS income report form (1099 for U.S. citizens or 1042S for non-resident aliens) showing gross income minus expenses. Vendor invoices are available with your monthly statement, but are generally not included as you won't directly pay them. Your income and expense statements are sufficient for your tax accountant to complete your tax return.

When do you disperse rent to owners?

Monthly funds are disbursed to owners as soon as the tenant's check clears our bank, typically 4 days after rent payment (with direct deposit). Per our agreement, we have until the 15th of each month for disbursement. Note: If the 5th due date falls on a Friday, funds may be available on Monday the 8th, as our office is closed on weekends.

What happens in the event of a natural disaster or freezing weather?

For natural disasters, we notify you promptly after assessing the situation and determining property impact. Property managers, handling numerous rental homes, may experience chaos after widespread events, taking several days to understand affected properties and assess damage. We prioritize securing damaged units, personally surveying and photographing damages, and alerting impacted owners. Owners with substantial damage should contact their insurance provider for a claim, and we can act as a liaison for adjuster and workmen access. If the damage is minor and the owner opts out of the claims process, we treat it like any other maintenance issue.

Many areas we serve are prone to freezing weather, posing a risk of substantial damage from frozen pipes. Understand your insurance coverage in case of property damage. Properties with poor insulation, open crawlspace vents, and water lines in unheated spaces are most susceptible. Vacant properties are at higher risk, but even occupied units can incur damage in cold temperatures. We advise landlords to keep utilities on during vacancy or winterize the property to minimize frozen pipe risks. While not a guarantee, these steps demonstrate reasonable efforts to protect the property in case of freeze damage.

Frequently Asked Questions Continued

In what order are rental fees and bills paid?

Bills from the rental escrow account are paid in this order: Leasing and management fees, legal fees, vendor bills, and then the remaining balance to you. It's crucial to maintain sufficient reserves in your checking account for mortgage, HOA, and other expenses.

What if I have a service contract/warranty on my property or appliances?

For existing service contracts or warranties, provide copies within 5 business days of signing the property management agreement. If not received, we'll assume none exist. If you purchase a service contract during the agreement, notify us immediately in writing and send a copy. Ensure the warranty company authorizes us to call on your behalf. Note: Repair or maintenance warranties may not always be the most cost-effective; consult your property manager before purchasing.

Will I have special requirements for any insurance policies?

Yes, you must maintain rental dwelling insurance at your expense, including public liability and compensation coverage (\$100,000.00 per person, \$300,000.00 per occurrence). Request your insurance company to add Virginia Elite Property Services as an additional insured, providing your property manager with a copy. This addition should not increase your premium. It's your responsibility to obtain and maintain the proper insurance, and you agree to indemnify Virginia Elite Property Services for damages resulting from any lapse or failure to maintain coverage.

Are tenants required to have renters insurance?

The lease requires tenants to insure their personal property, but we can't guarantee tenant compliance. The landlord's policy only protects the dwelling and property. Tenants are advised to secure their coverage. Consider adding "rental loss coverage" to your policy to protect against lost rents due to casualties. We recommend you follow property manager's maintenance recommendations to avoid liability for tenant injuries or losses due to deferred maintenance, where the landlord may be held liable for the tenant's loss and other damages.

Am I required to maintain the condition of the property to any specific standard?

Yes, you must maintain the property in good habitable condition and comply with all laws and regulations. All heating, cooling, plumbing, electrical systems, and appliances must be in good working condition. The owner covers maintenance costs during the lease, unless repairs result from tenant negligence. Appliances can convey "as is" per your request unless exempted from owner repair responsibilities. Doors and windows must function properly, with no broken glass, and windows must have screens.

Frequently Asked Questions Continued

What items require me to notify the property manager in writing?

Provide written notice to your property manager for changes in:

- Mailing address or telephone numbers
 - Association rules or management company
 - Association's need for access to your unit
 - Bank information changes
- Notices from government agencies affecting your property or tenant's lease rights.

While phone notifications are accepted, written notice is preferred for accuracy. Email can be used, but a follow-up letter is recommended. A secure online portal is available for account or address changes.

What if I want to sell the property with a tenant in the unit?

If you want to sell the property with the tenant in the unit, the lease prevails, and the property must be sold subject to the lease. The attorney-prepared lease allows showings during the term, but gaining tenant cooperation before 60 days from the end date is challenging. Lock boxes can't be placed without the tenant's written consent. Contact your property manager for specifics on listing the property for sale. Tenants may feel insecure and may request early termination. Be prepared to work with them to terminate without penalty or make concessions for the inconvenience of listing the property.

Who will hold the security deposit and what can it be used for?

Virginia Elite Property Services holds the tenant's security deposit and advance rent in an escrow account according to Real Estate Board Regulations and Virginia State Law. Regulations govern the use of these funds, ensuring legal compliance.

Following VRLTA, the security deposit may be applied to accrued rent, reasonable late payment charges, damages due to noncompliance, or other charges as specified in the rental agreement. The landlord must itemize deductions, damages, and charges in a written notice to the tenant within 45 days of tenancy termination and possession delivery.

May I be present for the move out inspection?

Owners are not recommended to be present at the move-out inspection, as the property manager's decisions are final. Virginia Elite Property Services Management is not liable for any failure to make claims on damages not readily apparent during the inspection.

What is considered normal wear and tear?

"Normal wear and tear" is deterioration based on the intended use of the rental unit, excluding negligence, carelessness, accident, or abuse by the tenant or their household members, invitees, or guests. Security deposits can be used for tenant-responsible damages, but not for normal wear and tear. Dirt is not considered normal wear and tear; it falls under negligence, carelessness, accident, or abuse. The following list is an incomplete guide to differentiate between expected wear and tear and actions causing damage to the property. For questions about something not on the list please ask your property manager directly.

Wear/Tear

Damages

Small nail holes caused by a 6 penny nail or smaller.	Large holes from hanging shelving, pictures, screws, wall anchors, flat screen television brackets or any other wall hanging that causes damage
Light smudging on walls, near light switched that can be cleaned	Crayon, marker, decals that leave residue or take off paint when removed
Loose or stubborn door lock	Broken or missing locks
Worn out keys	Broken or missing locks
Loose hinges or handles on doors	Damage from a door from forced entry, or damage from using feet to open doors
Worn carpet traffic patterns fraying carpet seams unraveling	Torn, burned, stained, missing, ripped, scratched, or snagged carpet, pet stains
Drywall cracks from settling, chipped paint	Holes in walls, doors, screens or windows from misuse, negligence, carelessness, accident, or abuse
Garbage disposal that stops working, motor dies	Garbage disposal stops because fork was put inside
Musty odor	Smoke, urine or pet odor throughout unit
Closet bi-fold door off track	Damaged or missing bi-fold door

What is depreciation?

Depreciation is a concept used to determine the reduction in the value of an item over time due to factors such as age, wear and tear, and obsolescence. When assessing tenant damages, replacement costs are adjusted based on the age of the damaged items. For instance, if a tenant damages 6-year-old carpet, the cost is not the full replacement value. Courts often use guidelines that consider the remaining value of the item, acknowledging its age and wear, resulting in a fairer assessment of costs.

Lead Based Paint

Lead based paint became a major issue in the 1990s that prompted requirements for residential housing providers. We follow all federal, state mandated disclosures to all tenants and owners in any house built before 1978 - tenants must sign a lead-based disclosures form prior to moving in a rental. *They are also provided with EPA Pamphlet Protect Your Family from Lead in the Home as published.* We have multiple languages available.

Mold Concerns:

Mold issues are a top priority in property management, as neglect can lead to costly lawsuits. If a tenant raises concerns about mold, immediate notification is given to the owner. In some cases, air samples may be recommended at the owner's expense for proactive measures. If mold is confirmed, swift remediation is essential to address the issue promptly and protect all parties involved.

Pet Policy:

Accepting pets is at your discretion, but excluding them may limit potential tenants, as over 60% of renters have pets. A \$300 pet fee is charged, and certain breeds considered dangerous by insurance companies are not accepted. The pet addendum outlines tenant responsibilities regarding pets. Federal law exempts service animals for disabled persons from pet restrictions, and no deposit can be collected for them.

Smoke Detector Inspections:

To comply with 2018/2019 changes to VALTA, smoke detector inspections/maintenance are now mandatory for all owners. Virginia Premier Property Services requires inspections by a qualified contractor.. *This is not optional, and compliance ensures the best interests of rental owners and the company.* Inspection forms will be provided to owners and tenants for record-keeping.



Virginia Elite

Property Services



Savannah Mahone
Property Manager

With a rich background in property management since 2011, Savannah has been a licensed real estate agent in Virginia since 2016. Boasting proven experience as an office coordinator for a firm with over 80 agents, she have successfully overseen a property management department managing 150+ doors. Renowned for her highly detail-oriented approach, Savannah is dedicated to creating a positive impact on colleagues and clients alike throughout the real estate journey.

OUR TEAM

Mahone